

Appendix 1 - B

Copy of REGISTERED SECURITIES
(*pro forma* - this copy not signed)

MORTGAGE CA6209889
ASSIGNMENT OF RENTS CA6209890
Dated July 25, 2017

BAYFIELD MORTGAGE PROFESSIONALS

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

Thomas Allen
Stuart MacCallum
1KF5LN

Digitally signed by Thomas Allen Stuart
MacCallum 1KF5LN
DN: c=CA, cn=Thomas Allen Stuart
MacCallum 1KF5LN, o=Lawyer,
ou=Verdy ID at www.jurcaet.com/
LKUP cm?id=1KF5LN
Date: 2017.08.08 12:43:28 -0700

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

Kelly Guiotto, Designated Paralegal for MacCallum Law Group LLP

LTO Client No: 012337 Phone No.: 604-546-6345

File Ref.: 682-228

6345 - 197th. Street

E-filed by MacCallum Law Group LLP

Langley

BC V2Y 1K8

Document Fees: \$143.16

Deduct LTSA Fees? Yes

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:

[PID] [legal description]

000-772-721 LOT 10, SECTION 3, FAIRFIELD FARM ESTATE, VICTORIA CITY, PLAN 826

STC? YES

3. BORROWER(S) (MORTGAGOR(S)): (including postal address(es) and postal code(s))

SHERRIN JUNE PRYCE, VOCATIONAL COUNSELLOR

608 TRUTCH STREET

VICTORIA

BRITISH COLUMBIA

V8V 4C5

CANADA

This is Exhibit "A" referred to in
the affidavit of TERESA DOERIKSEN
sworn before me at LANGLEY
this 22 day of JAN 20 20

4. LENDER(S) (MORTGAGEE(S)): (including occupation(s), postal address(es) and postal code(s))

SEE SCHEDULE

A. Nassaluk
A Commissioner for taking Affidavits
within British Columbia

5. PAYMENT PROVISIONS:

(a) Principal Amount: \$800,000.00	(b) Interest Rate: 7.45% Per Annum	(c) Interest Adjustment Date:	Y 17	M 08	D 15
(d) Interest Calculation Period: MONTHLY	(e) Payment Dates: 15th Day of Every Month	(f) First Payment Date:	17	09	15
(g) Amount of each periodic payment: \$5,235.00	(h) Interest Act (Canada) Statement. The equivalent rate of interest calculated half yearly not in advance is 7.56659 % per annum.	(i) Last Payment Date:	18	08	15
(j) Assignment of Rents which the applicant wants registered? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> If YES, page and paragraph number: SEE SCHEDULE	(k) Place of payment: Postal Address in Item 4.	(l) Balance Due Date:	18	08	15

MORTGAGE - PART 1

6. MORTGAGE contains floating charge on land ?
YES NO

7. MORTGAGE secures a current or running account ?
YES NO

8. INTEREST MORTGAGED:
Freehold
Other (specify)

9. MORTGAGE TERMS:
Part 2 of this mortgage consists of (select one only):
(a) Prescribed Standard Mortgage Terms
(b) Filed Standard Mortgage Terms D F Number:
(c) Express Mortgage Terms (annexed to this mortgage as Part 2)
A selection of (a) or (b) includes any additional or modified terms referred to in item 10 or in a schedule annexed to this mortgage.

10. ADDITIONAL OR MODIFIED TERMS:
SEE SCHEDULE

11. PRIOR ENCUMBRANCES PERMITTED BY LENDER:
Undersurface Rights M76301

12. EXECUTION(S): This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms.

Officer Signature(s)

C. ROBERT PEARSON
Barrister & Solicitor
1103 Goldstream Avenue
Victoria, B.C. V9B 2Y9

Execution Date		
Y	M	D
17	07	25

Borrower(s) Signature(s)

SHERRIN JUNE PRYCE

OFFICER CERTIFICATION:
Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

**LAND TITLE ACT
FORM E
SCHEDULE**

PAGE 3 OF 7 PAGES

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

4. LENDER(S) (MORTGAGEE(S)): (including occupation(s), postal address(es) and postal code(s))

VERSATILE MORTGAGE CORP.

101 - 19909 - 64 AVENUE

LANGLEY

V2Y 1G9

BRITISH COLUMBIA

CANADA

Incorporation No

BC0527692

AS TO AN UNDIVIDED

1 / 2

INTEREST

UPTON CAPITAL CORP.

101 - 19909 - 64 AVENUE

LANGLEY

V2Y 1G9

BRITISH COLUMBIA

CANADA

Incorporation No

BC0385613

AS TO AN UNDIVIDED

1 / 2

INTEREST

**LAND TITLE ACT
FORM E****SCHEDULE**

PAGE 4 OF 7 PAGES

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5. PAYMENT PROVISIONS: **

[j] Assignment of Rents which the applicant wants registered:

[i] The Mortgagor assigns to the Mortgagee as additional security for payment of the Indebtedness [i] all leases heretofore or hereafter granted by the Mortgagor[or any predecessor in title] of all or any part of the Land and [ii] any rents payable from time to time under such leases and the benefit of the terms and conditions contained therein and of the reversion thereunder. The Mortgagor shall, on request from time to time, execute a formal assignment of any of the foregoing in a form acceptable to the Mortgagee and, if requested by the Mortgagee, suitable for registration. The Mortgagor agrees to give the Mortgagee executed copies of all such leases promptly after their execution and to perform all of the Mortgagor's obligations thereunder. No such assignment or any act of the Mortgagee pursuant thereto shall operate to delay, hinder or prejudice any of the Mortgagee's rights or remedies under the Mortgage. The Mortgagor shall also, from time to time, execute and deliver to the Mortgagee such notices to lessees or other and such other documents as the Mortgagee may request for the purpose of protecting or enforcing its rights in respect of such assignments.

[ii] The Mortgagee shall not be responsible for the collection of any rents assigned to it or the performance of the terms and conditions of any lease referred to in this Schedule. The Mortgagee shall be responsible to account only for rents actually received, less reasonable collection charges, and may apply such rents to the repayment of the Indebtedness, whether or not due. The Mortgagee shall not by reason of any such collection or any assignment referred to in this Schedule be deemed a mortgagee in possession.

[iii] Notwithstanding this Schedule, no lease of all or any part of the Land shall be made by the Borrower without the written consent of the Lender. Notwithstanding any such consent, no such lease shall have priority over this Mortgage unless the Lender expressly agrees to such priority in writing. For the purposes of the Mortgage, every action or omission by the lessee under any lease of all or any part of the Land shall be conclusively deemed to be the action or omission of the Borrower.

**LAND TITLE ACT
FORM E****SCHEDULE**

PAGE 5 OF 7 PAGES

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

10. ADDITIONAL OR MODIFIED TERMS:**PREPAYMENT:**

The Principal Amount may be prepaid during the term of this mortgage or during any renewal term in whole or in part on any monthly payment date as set forth in Item 5 (e) of the mortgage, without notice, penalty or bonus PROVIDED THAT the Mortgagor prepays an additional sum of money which is not less than --ONE HUNDRED and NO/100--(\$100.00).

THIS IS AN OPEN MORTGAGE.

IT IS UNDERSTOOD AND AGREED that the discharge fee for this mortgage will be SEVENTY-FIVE and NO/100 (\$75.00) DOLLARS.

IT IS UNDERSTOOD AND AGREED that if the Mortgagor shall not make the mortgage payments on the payment date or if payments shall be returned due to non-sufficient funds then the Mortgagee shall charge the Mortgagor the sum of ONE HUNDRED (\$100.00) DOLLARS for each late payment or each payment that is returned due to non-sufficient funds and that the said sum of ONE HUNDRED (\$100.00) DOLLARS shall be added to the balance owing under this mortgage and shall bear interest at the interest rate aforesaid. It is understood and agreed that the \$100.00 charge represents a predetermined, agreed upon fee for administration services and expenses incurred by the Mortgagee on account of the failure of the Mortgagor to pay a mortgage payment or other payment agreed to be made pursuant to the terms of this mortgage. The fee represents the time and effort spent by the employees or agents of the Mortgagee in retrieving an NSF cheque, replacing same, payment of bank charges occasioned by the non-payment, confirmation and/or replacement of fire insurance coverage, tax search and drive by property assessment and is not a penalty levied by the Mortgagee against the Mortgagor.

In addition, should the Mortgagee deem it necessary to forward a letter of demand for payment to the Mortgagor or seek legal advice with respect to a default by the Mortgagor, the Mortgagor shall pay to the Mortgagee the sum of THREE HUNDRED (\$300.00) DOLLARS for each such demand letter or other requests for legal advice relating to a default by the Mortgagor. Both the aforementioned sums shall immediately form part of the Principal Amount and be further secured by the Mortgage.

ADDITIONAL DEFAULT EVENTS

The Mortgagee may also exercise its remedies under this Mortgage if any one or more of the following occurs:

(a) If the Mortgagor is a corporation but none of the shares are traded on any public stock exchange or in any public stock market and, if by operation of law or by the sale, bequest, or other disposition of its shares a controlling interest in its shares is made to a company or individual without approval by the Mortgagee.

**LAND TITLE ACT
FORM E**

SCHEDULE

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

- (b) If the Land is the subject of a restraint order under the Controlled Drugs and Substances Act or a similar order under any Law;**
- (c) if the Mortgagor or any other person has ever used or occupied the Land for any purpose that is in violation of the Controlled Drugs and Substances Act or any similar Law; or**
- (d) if the Mortgagor has made any material misrepresentation to the Mortgagee in connection with the Mortgage or the Credit Documents.**

PRIOR MORTGAGES

In the event that this mortgage is subject to one or more prior mortgages, agreements for sale or other charges or encumbrances (herein collectively called the "Prior Mortgage"), the Mortgagor covenants and agrees to pay as they become due all payments whether for principal, interest, taxes or otherwise under or by virtue of the Prior Mortgage and will otherwise observe, perform and comply with the conditions, covenants, provisos or agreements therein contained: and that any default thereunder shall be deemed to be a default hereunder and entitle the Mortgagee to exercise any and all remedies available to the Mortgagee in the event of default hereunder; and that the Mortgagee may make any payment or cure any default under the Prior Mortgage and any amount or amounts so paid together with costs, charges, expenses and outlays of the Mortgagee thereby incurred shall be added to the moneys payable hereunder, bear interest at the mortgage rate from the date expended until paid, be payable with interest as aforesaid forthwith by the Mortgagor to the Mortgagee without demand and be a charge on the Mortgaged Land and the Mortgagee shall have the same rights and remedies to enforce payment thereof as the Mortgagee would have in the event of default in payment of any moneys payable hereunder; and the Mortgagor agrees that any legal fees, costs, charges and expenses incurred by the Mortgagee arising out of any proceedings commenced by the holder of the Prior Mortgage shall be reimbursed to the Mortgagee pursuant to Section 8 of the Prescribed Mortgage Terms.

ENVIRONMENTAL COMPLIANCE

The Mortgagor(s) shall pay immediately when due the cost of removal of any contaminants, wastes or hazardous or toxic materials in, on or about the Land. The Mortgagor shall indemnify and hold harmless the Mortgagee and its directors, officers, employees and agents from and against all loss, costs, damage or expenses (including without limitation, legal costs on a solicitor and solicitor's own client basis) incurred in the investigation, defence and settlement of any claim due to the Mortgagor's failure to comply with any statutory regulation, order, bylaw, direction or equivalent ruling relating to the protection of the environment, or due to the presence of any contaminant, waste or hazardous or toxic material in, on or about the Land, as well as any lien or priority asserted with respect thereto, and this indemnity shall survive the discharge of the Mortgage or the release of the Mortgage from this Mortgage or the release of this Mortgage from part or all of the Mortgaged Lands.

**LAND TITLE ACT
FORM E****SCHEDULE****PAGE 7 OF 7 PAGES****ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.****RENEWAL CLAUSE**

1. If the Mortgagee in its sole and unfettered discretion wishes to renew this mortgage loan, the Mortgagee will provide by mail at the mailing address shown in the Mortgage, or electronic mail to an address provided by the Mortgagor(s), a written notice called a "Mortgage Renewal Notice" which notice will set out the terms on which the Mortgagee will renew this mortgage loan. The Mortgagee may renew this mortgage loan on substantially the same terms as set forth in the offer of financing. **IN THE EVENT THAT** the Mortgage is registered with an "Interest Only" payment then the Mortgage will be renewed for a further one year term at a fixed rate and fixed payment of principal and interest, with or without penalty and amortized over a period not to exceed twenty-five (25) years.
2. If the Mortgagor(s) wishes to accept the terms of the "Mortgage Renewal Notice" then the Mortgagor(s) will return the signed "Mortgage Renewal Notice" to the Mortgagee at least thirty (30) days before the Balance Due Date as set forth in Item 5(l) of this mortgage.
3. If the Mortgagor(s) does not return the completed "Mortgage Renewal Notice" before the Balance Due date to the Mortgagee, then the Mortgagee at its option, may renew this mortgage as a one year closed mortgage loan, closed to prepayment, at the rate of interest as specified in the offer of financing. **IN THE EVENT THAT** the Mortgage is registered with an "Interest Only" payment then the Mortgage will be renewed for a further one year term at a fixed rate and fixed payment of principal and interest, with or without penalty and amortized over a period not to exceed twenty-five (25) years.
4. If the Mortgagee does not provide the Mortgagor(s) with a "Mortgage Renewal Notice" or the Mortgagor(s) notify the Mortgagee that the Mortgagor(s) choose(s) not to renew this mortgage loan the Mortgagor(s) will be required to repay the balance owing under the mortgage together with all accrued interest, penalties and other charges owing to the Mortgagee on the Balance Due Date.

**LAND TITLE ACT
FORM B (Section 225)**

MORTGAGE - PART I Province of British Columbia

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

Kelly Guiotto, Designated Paralegal for MacCallum Law Group LLP

LTO Client No: 012337 Phone No.: 604-546-6345

File Ref.: 682-228

6345 - 197th. Street

E-filed by MacCallum Law Group LLP

Langley

BC V2Y 1K8

Deduct LTSA Fees? Yes

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [legal description]

000-772-721 LOT 10, SECTION 3, FAIRFIELD FARM ESTATE, VICTORIA CITY, PLAN 826

STC? YES

3. BORROWER(S) (MORTGAGOR(S)): (including postal address(es) and postal code(s))

SHERRIN JUNE PRYCE, VOCATIONAL COUNSELLOR

608 TRUTCH STREET

VICTORIA

BRITISH COLUMBIA

V8V 4C5

CANADA

4. LENDER(S) (MORTGAGEE(S)): (including occupation(s), postal address(es) and postal code(s))

SEE SCHEDULE

5. PAYMENT PROVISIONS:

(a) Principal Amount: \$800,000.00	(b) Interest Rate: 7.45% Per Annum	(c) Interest Adjustment Date: 17 08 15	Y	M	D
(d) Interest Calculation Period: MONTHLY	(e) Payment Dates: 15th Day of Every Month	(f) First Payment Date: 17 09 15	17	09	15
(g) Amount of each periodic payment: \$5,235.00	(h) <i>Interest Act</i> (Canada) Statement. The equivalent rate of interest calculated half yearly not in advance is 7.56659 % per annum.	(i) Last Payment Date: 18 08 15	18	08	15
(j) Assignment of Rents which the applicant wants registered ? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> If YES, page and paragraph number: SEE SCHEDULE	(k) Place of payment: Postal Address in Item 4.	(l) Balance Due Date: 18 08 15	18	08	15

6. MORTGAGE contains floating charge on land?
YES NO

7. MORTGAGE secures a current or running account?
YES NO

8. INTEREST MORTGAGED:
Freehold
Other (specify)

9. MORTGAGE TERMS:

Part 2 of this mortgage consists of (select one only):

(a) Prescribed Standard Mortgage Terms

(b) Filed Standard Mortgage Terms

(c) Express Mortgage Terms

DF Number:

(annexed to this mortgage as Part 2)

A selection of (a) or (b) includes any additional or modified terms referred to in item 10 or in a schedule annexed to this mortgage.

10. ADDITIONAL OR MODIFIED TERMS:

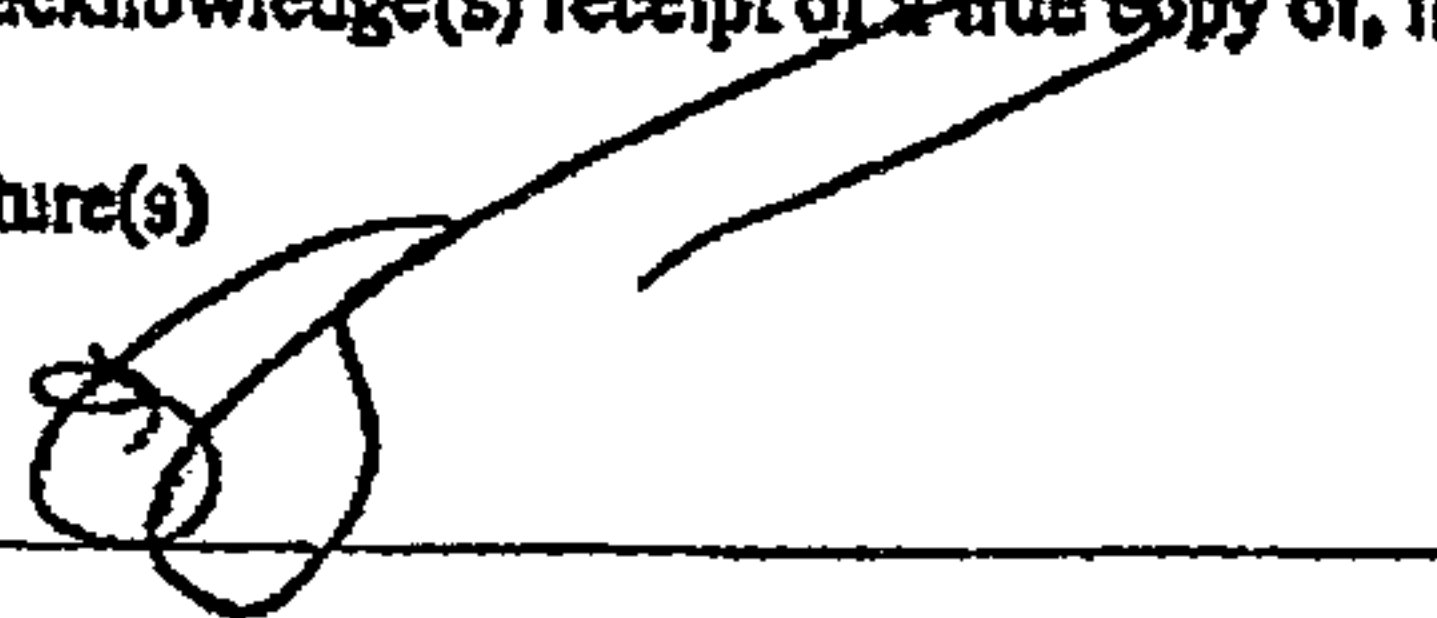
SEE SCHEDULE

11. PRIOR ENCUMBRANCES PERMITTED BY LENDER:

Undersurface Rights M76301

12. EXECUTION(S): This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms.

Officer Signature(s)

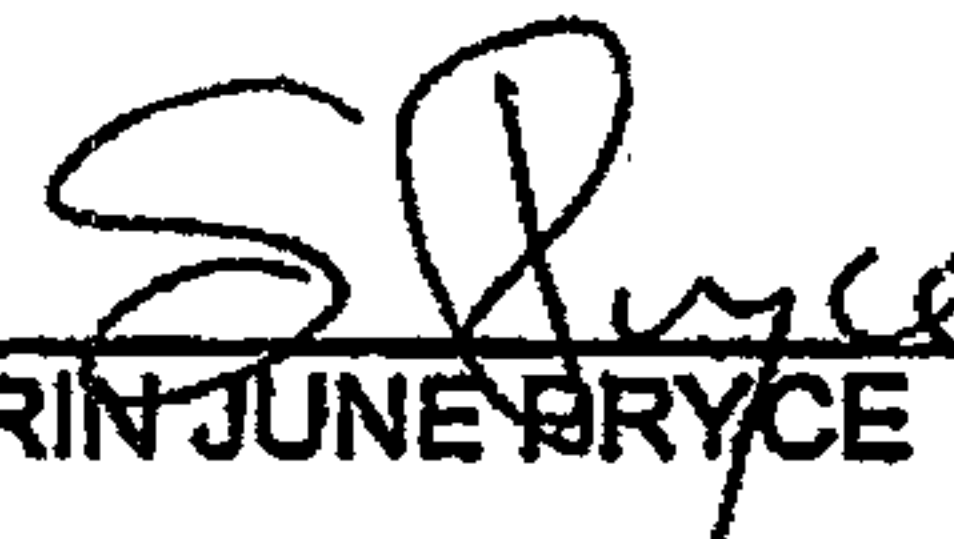


G. ROBERT PEARSON
Barrister & Solicitor
1103 Goldstream Avenue
Victoria, B.C. V6B 2Y9

Execution Date

Y	M	D
17	07	25

Borrower(s) Signature(s)



SHERRIN JUNE BRYCE

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

**LAND TITLE ACT
FORM E
SCHEDULE**

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4. LENDER(S) (MORTGAGEE(S)): (including occupation(s), postal address(es) and postal code(s))

VERSATILE MORTGAGE CORP.

101 - 19909 - 64 AVENUE

LANGLEY

V2Y 1G9

BRITISH COLUMBIA

CANADA

Incorporation No

BC0527692

AS TO AN UNDIVIDED

1 / 2

INTEREST

UPTON CAPITAL CORP.

101 - 19909 - 64 AVENUE

LANGLEY

V2Y 1G9

BRITISH COLUMBIA

CANADA

incorporation No

BC0385613

AS TO AN UNDIVIDED

1 / 2

INTEREST

**LAND TITLE ACT
FORM E****SCHEDULE**

PAGE 4 OF 7 PAGES

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

5. PAYMENT PROVISIONS: ** **Assignment of Rents which the applicant wants registered:**

The Mortgagor assigns to the Mortgagee as additional security for payment of the Indebtedness all leases heretofore or hereafter granted by the Mortgagor [or any predecessor in title] of all or any part of the Land and any rents payable from time to time under such leases and the benefit of the terms and conditions contained therein and of the reversion thereunder. The Mortgagor shall, on request from time to time, execute a formal assignment of any of the foregoing in a form acceptable to the Mortgagee and, if requested by the Mortgagee, suitable for registration. The Mortgagor agrees to give the Mortgagee executed copies of all such leases promptly after their execution and to perform all of the Mortgagor's obligations thereunder. No such assignment or any act of the Mortgagee pursuant thereto shall operate to delay, hinder or prejudice any of the Mortgagee's rights or remedies under the Mortgage. The Mortgagor shall also, from time to time, execute and deliver to the Mortgagee such notices to lessees or other and such other documents as the Mortgagee may request for the purpose of protecting or enforcing its rights in respect of such assignments.

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**LAND TITLE ACT
FORM E**

SCHEDULE

PAGE 5 OF 7 PAGES

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ADDITIONAL DEFAULT EVENTS

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- (a) **If the Mortgagor is a corporation but none of the shares are traded on any public stock exchange or in any public stock market and, if by operation of law or by the sale, bequest, or other disposition of its shares a controlling interest in its shares is made to a company or individual without approval by the Mortgagee.**

**LAND TITLE ACT
FORM E**

SCHEDULE

PAGE 6 OF 7 PAGES

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- (b) If the Land is the subject of a restraint order under the Controlled Drugs and Substances Act or a similar order under any Law;
- (c) If the Mortgagor or any other person has ever used or occupied the Land for any purpose that is in violation of the Controlled Drugs and Substances Act or any similar Law; or
- (d) If the Mortgagor has made any material misrepresentation to the Mortgagee in connection with the Mortgage or the Credit Documents.

PRIOR MORTGAGES

In the event that this mortgage is subject to one or more prior mortgages, agreements for sale or other charges or encumbrances (herein collectively called the "Prior Mortgage"), the Mortgagor covenants and agrees to pay as they become due all payments whether for principal, interest, taxes or otherwise under or by virtue of the Prior Mortgage and will otherwise observe, perform and comply with the conditions, covenants, provisos or agreements therein contained: and that any default thereunder shall be deemed to be a default hereunder and entitle the Mortgagee to exercise any and all remedies available to the Mortgagee in the event of default hereunder; and that the Mortgagee may make any payment or cure any default under the Prior Mortgage and any amount or amounts so paid together with costs, charges, expenses and outlays of the Mortgagee thereby incurred shall be added to the moneys payable hereunder, bear interest at the mortgage rate from the date expended until paid, be payable with interest as aforesaid forthwith by the Mortgagor to the Mortgagee without demand and be a charge on the Mortgaged Land and the Mortgagee shall have the same rights and remedies to enforce payment thereof as the Mortgagee would have in the event of default in payment of any moneys payable hereunder; and the Mortgagor agrees that any legal fees, costs, charges and expenses incurred by the Mortgagee arising out of any proceedings commenced by the holder of the Prior Mortgage shall be reimbursed to the Mortgagee pursuant to Section 8 of the Prescribed Mortgage Terms.

ENVIRONMENTAL COMPLIANCE

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**LAND TITLE ACT
FORM E****SCHEDULE**

PAGE 7 OF 7 PAGES

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

RENEWAL CLAUSE

1. If the Mortgagee in its sole and unfettered discretion wishes to renew this mortgage loan, the Mortgagee will provide by mail at the mailing address shown in the Mortgage, or electronic mail to an address provided by the Mortgagor(s), a written notice called a "Mortgage Renewal Notice" which notice will set out the terms on which the Mortgagee will renew this mortgage loan. The Mortgagee may renew this mortgage loan on substantially the same terms as set forth in the offer of financing. **IN THE EVENT THAT** the Mortgage is registered with an "Interest Only" payment then the Mortgage will be renewed for a further one year term at a fixed rate and fixed payment of principal and interest, with or without penalty and amortized over a period not to exceed twenty-five (25) years.
 2. If the Mortgagor(s) wishes to accept the terms of the "Mortgage Renewal Notice" then the Mortgagor(s) will return the signed "Mortgage Renewal Notice" to the Mortgagee at least thirty (30) days before the Balance Due Date as set forth in Item 5(l) of this mortgage.
 3. If the Mortgagor(s) does not return the completed "Mortgage Renewal Notice" before the Balance Due date to the Mortgagee, then the Mortgagee at its option, may renew this mortgage as a one year closed mortgage loan, closed to prepayment, at the rate of interest as specified in the offer of financing. **IN THE EVENT THAT** the Mortgage is registered with an "Interest Only" payment then the Mortgage will be renewed for a further one year term at a fixed rate and fixed payment of principal and interest, with or without penalty and amortized over a period not to exceed twenty-five (25) years.
 4. If the Mortgagee does not provide the Mortgagor(s) with a "Mortgage Renewal Notice" or the Mortgagor(s) notify the Mortgagee that the Mortgagor(s) choose(s) not to renew this mortgage loan the Mortgagor(s) will be required to repay the balance owing under the mortgage together with all accrued interest, penalties and other charges owing to the Mortgagee on the Balance Due Date.
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Prescribed Standard Mortgage Terms

Mortgage Terms — Part 2

These mortgage terms are considered to be included in and form a part of every mortgage which incorporates prescribed standard mortgage terms, either by an election in the *mortgage form* or by operation of law.

Interpretation

1 (1) In these mortgage terms:

"borrower" means the person or persons named in the *mortgage form* as a borrower;

"borrower mailing address" means the postal address of the *borrower* set out in the *mortgage form* or the most recent postal address provided in a written notice given by the *borrower* to the *lender* under these mortgage terms;

"borrower's promises and agreements" means any one or more of the *borrower's* obligations, promises and agreements contained in *this mortgage*;

"court" means a court or judge having jurisdiction in any matter arising out of *this mortgage*;

"covenantor" means a person who signs the *mortgage form* as a covenantor;

"default" includes each of the events of default listed in section 7 (1);

"interest" means interest at the *interest rate* shown on the *mortgage form*;

"interest adjustment date" means the interest adjustment date shown on the *mortgage form*;

"interest calculation period" means the period or periods for the calculation of interest shown on the *mortgage form*;

"interest rate" means the interest rate shown on the *mortgage form*;

"land" means all the *borrower's* present and future interest in the land described in the *mortgage form* including every incidental right, benefit or privilege attaching to that land or running with it and all buildings and improvements that are now or later constructed on or made to that land;

"lease" means the leasehold interest, if any, of the *borrower* referred to in the *mortgage form*;

"lender" means the person or persons named in the *mortgage form* as a lender and includes any person to whom the lender transfers *this mortgage*;

"lender mailing address" means the postal address shown on the *mortgage form* or the most recent postal address provided in a written notice given by the *lender* to the *borrower* under these mortgage terms;

"loan payment" means the amount of each periodic payment shown on the *mortgage form*;

This is Exhibit B referred to in the affidavit of TERESA DOERKSEN sworn before me at LANGLEY the 22 day of JAN 2020

A. Nassochuk
A Commissioner for taking Affidavits within British Columbia

"maturity date" means the balance due date shown on the *mortgage form* and is the date on which all unpaid *mortgage money* becomes due and payable, or such earlier date on which the *lender* can lawfully require payment of the *mortgage money*;

"mortgage form" means Form B under the Land Title (Transfer Forms) Regulation and all schedules and addenda to Form B;

"mortgage money" means the *principal amount*, *interest* and any other money owed by the *borrower* under *this mortgage*, the payment of which is secured by *this mortgage*;

"payment date" means each payment date commencing on the first payment date shown on the *mortgage form*;

"place of payment" means the place of payment shown on the *mortgage form* or any other place specified in a written notice given by the *lender* to the *borrower* under these mortgage terms;

"principal amount" means the amount of money shown as the principal amount on the *mortgage form* as reduced by payments made by the *borrower* from time to time, or increased by the advance or readvance of money to the *borrower* by the *lender* from time to time, and includes all money that is later added to the principal amount under these mortgage terms;

"receiver" means a receiver or receiver manager appointed by the *lender* under *this mortgage*;

"taxes" means all taxes, rates and assessments of every kind which are payable by any person in connection with *this mortgage*, the *land* or its use and occupation, or arising out of any transaction between the *borrower* and the *lender*, but does not include the *lender's* income tax;

"this mortgage" means the combination of the *mortgage form* and these mortgage terms.

(2) In *this mortgage* the singular includes the plural and vice versa.

What this mortgage does

2 (1) In return for the *lender* agreeing to lend the *principal amount* to the *borrower*, the *borrower* grants and mortgages the *land* to the *lender* as security for repayment of the *mortgage money* and for performance of all the *borrower's promises and agreements*.

(2) If the interest mortgaged is described in the *mortgage form* as a leasehold interest, the grant in subsection (1) shall be construed as a charge of the unexpired term of the *lease* less the last month of that term.

(3) This means that

(a) *this mortgage* shall be a charge on the land, and

(b) the *borrower* releases to the *lender* all the *borrower's* claim to the *land* until the *borrower* has paid the *mortgage money* to the *lender*, in accordance with these mortgage terms, and has performed all of the *borrower's promises and agreements*.

(4) The *borrower* may continue to remain in possession of the *land* as long as the *borrower* performs all of the *borrower's promises and agreements*.

(5) When the *borrower* has paid the *mortgage money* and performed all the *borrower's promises and agreements* under *this mortgage* and the *lender* has no obligation to make any further advances or readvances, the *lender* will no longer be entitled to enforce any rights under *this mortgage* and the *borrower* will be entitled, at the *borrower's* cost, to receive a discharge of *this mortgage*. The discharge must be signed by the *lender* and must be registered by the *borrower* in the land title office to cancel the registration of *this mortgage* against the *land*.

Interest

3 (1) *Interest* is chargeable on the *mortgage money* and is payable by the *borrower*.

(2) *Interest* is not payable in advance. This means that *interest* must be earned before it is payable.

(3) *Interest* on advances or readvances of the *principal amount* starts on the date and on the amount of each advance or readvance and accrues on the *principal amount* until the *borrower* has paid all the *mortgage money*.

(4) *Interest* payable on any part of the *principal amount* advanced before the *interest adjustment date* is due and payable to the *lender* on the *interest adjustment date*.

(5) At the end of each *interest calculation period*, unpaid accrued *interest* will be added to the *principal amount* and bear *interest*. This is known as compound interest.

Payment of the mortgage money

4 The *borrower* promises to pay the *mortgage money* to the *lender* at the *place of payment* in accordance with the payment provisions set out in the *mortgage form* and these mortgage terms.

Promises of the borrower

5 (1) The *borrower* promises

(a) to pay all *taxes* when they are due and to send to the *lender* at the *place of payment*, or at any other place the *lender* requires, all notices of *taxes* which the *borrower* receives,

(b) if the *lender* requires the *borrower* to do so, to pay to the *lender*

(i) on each *payment date* the amount of money estimated by the *lender* to be sufficient to permit the *lender* to pay the *taxes* when they are due, and

(ii) any money in addition to the money already paid towards *taxes* so that the *lender* will be able to pay the *taxes* in full,

(c) to apply for all government grants, assistance and rebates in respect of *taxes*,

(d) to comply with all terms and conditions of any charge or encumbrance that ranks ahead of *this mortgage*,

(e) to keep all buildings and improvements which form part of the *land* in good condition and to repair them as the *lender* reasonably requires,

(f) to sign any other document that the *lender* reasonably requires to ensure that payment of the *mortgage money* is secured by *this mortgage* or by any other document the *borrower* has agreed to give as security,

(g) not to do anything that has the effect of reducing the value of the *land*,

(h) not to tear down any building or part of a building which forms part of the *land*,

(i) not to make any alteration or improvement to any building which forms part of the *land* without the written consent of the *lender*,

(j) if the *borrower* has rented the *land* to a tenant, to keep, if required by the *lender*, records of all rents received and of all expenses paid by the *borrower* in connection with the *land* and, at least annually, have a statement of revenue and expenses for the *land* prepared by a professional accountant if the *lender* requires and to give a copy of the statement to the *lender* if the *lender* requires the *borrower* to do so,

(k) to insure and keep insured against the risk of fire and other risks and losses that the *lender* asks the *borrower* to insure against, with an insurance company licensed to do business in British Columbia, all buildings and improvements on the *land* to their full insurable value on a replacement cost basis and to pay all insurance premiums when due,

(l) to send a copy of each insurance policy and renewal certificate to the *lender* at the *place of payment*,

(m) to pay all of the *lender's* costs, including legal fees on a solicitor and client basis, to

(i) prepare and register *this mortgage*, including all necessary steps to advance and secure the *mortgage money* and to report to the *lender*,

(ii) collect the *mortgage money*,

(iii) enforce the terms of *this mortgage*, including efforts to compel the *borrower* to perform the *borrower's promises and agreements*,

(iv) do anything which the *borrower* has promised to do but has not done, and

(v) prepare and give the *borrower* a discharge of *this mortgage* when the *borrower* has paid all money due under *this mortgage* and the *borrower* wants it to be discharged,

(n) if the *lender* requires the *borrower* to do so, to

(i) give the *lender* in each year post-dated cheques for all *loan payments* due for that year and for *taxes*, and

(ii) arrange for all *loan payments* to be made by pre-authorized chequing,

(o) to pay any money which, if not paid, would result in a default under any charge or encumbrance having priority over *this mortgage* or which might result in the sale of the land if not paid, and

(p) to pay and cause to be discharged any charges or encumbrances described in subsection (2) (b) which are not prior encumbrances permitted by the *lender* under *this mortgage*.

(2) The *borrower* declares to the *lender* that

(a) the *borrower* owns the *land* and has the right to mortgage the *land* to the *lender*,

(b) the *borrower's* title to the *land* is subject only to

(i) those charges and encumbrances that are registered in the land title office at the time the *borrower* signed the *mortgage form*, and

(ii) any unregistered charges and encumbrances that the *lender* has agreed to in writing, and

(c) subject to paragraph (b), the *borrower*

(i) has not given any other charge or encumbrance against the *land*, and

(ii) has no knowledge of any other claim against the *land*.

(3) The insurance policy or policies required by subsection (1) (k) shall contain a mortgage clause approved by the *lender* that states that payment of any loss shall be made to the *lender* at the *place of payment* or any other place the *lender* requires and, if *this mortgage* is not a first mortgage, the amount of any payment made by the insurance company shall be paid to the *borrower's* lenders in the order of their priorities.

(4) The *borrower* gives up any statutory right to require the insurance proceeds to be applied in any particular manner.

Agreements between the borrower and the lender

6 (1) The *lender* will use the money paid to the *lender* under section 5 (1) (b) to pay *taxes* unless there is a *default* in which case the *lender* may apply the money in payment of the *mortgage money*.

(2) By *this mortgage* the *borrower* grants and mortgages any additional or greater interest in the *land* that the *borrower* may later acquire.

(3) Any money paid to the *lender* under *this mortgage* shall,

(a) prior to a *default*, be applied first in payment of *interest*, secondly in payment of the *principal amount* and thirdly in payment of all other money owed by the *borrower* under *this mortgage*, and

(b) after a *default*, be applied in any manner the *lender* chooses.

(4) The *lender* may at any reasonable time inspect the *land* and any buildings and improvements which form part of it.

(5) If the *lender* takes possession of the *land* the *lender* will not be responsible for maintaining and preserving the *land* and need only account to the *borrower* for any money which the *lender* actually receives in connection with *this mortgage* or the *land*.

(6) The *lender* may spend money to perform any of the *borrower's promises and agreements* which the *borrower* has not performed and any money so spent shall be added to the *principal amount*,

